THE MINISTER OF POWER (SHRI SUSHIL .KUMAR SHINDE): (a) to (c) The transfer of the Special Purpose Vehicle (SPYV) that is, Sasan Power Limited (SPL) to the bidder identified for implementation of the 4000 MW Sasan Ultra Mega Power Project in Madhya Pradesh had been held up after issue of the Letter of Intent on account of legal and contractual issues. The Empowered Group of Ministers (EGoM), set up for facilitating expeditious decisions in all cases concerning Ultra Mega Power Projects (UMPPs), examined the matter relating to the award of the project.

Keeping in view the overall public interest and after examination of various clauses of the bid documents, the EGoM *inter-alia* decided that the procurer should cancel the Letter of Intent issued to the Globeleq-Lanco consortium, as the consortium was not qualified even at the RfQ stage and its response to the RfQ was void *ab-initio*. It also decided that the procurer should return the Bid Bond of the consortium after deducting a sum of Rs.l crore, and hold negotiations with the remaining bidders and seek their final bid(s) for levelised tariff.

Accordingly, Sasan Power Limited (SPL) received revised offers from the remaining valid bidders, of which the bid of M/s. Reliance Power Limited, offering a levellised tariff of Rs. 1.19616 per kilo watt hour was the lowest. SPL issued the Letter of Intent to M/s. Reliance Power Limited on 1st August, 2007, and has thereafter carried out the necessary documentation on 7th August, 2007 for the transfer to them of the Special Purpose Vehicle, Sasan Power Limited which had been set up for the Sasan UMPP.

**Trading of electricity**

†837. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

(a) whether it is a fact that the permission for trade in electricity in public and private sector is being given in the country;

(b) if so, the names of public and private sector companies presently engaged in the electricity trade;

(c) whether it is also a fact that per unit sale price of electricity is increasing due to constant growth in trade in electricity for last few years; and

(d) if so, to what level the sale price of electricity have been raised by the firms engaged in the trade in electricity, from 2004 to 2007?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) The Electricity Act, 2003 defines trading as "purchase of electricity for resale thereof". Section 14 of the Act provides that the Appropriate Electricity Regulatory Commission may, on an application made to it under section 15, grant a licence to any person to undertake trading in electricity as an electricity trader, in any area as may be specified in the licence. The Act also provides that a distribution licensee shall not require a licence to undertake trading in electricity.

†Original notice of the question was received in Hindi

(b) The licence for intra-State trading is granted by the concerned State Electricity Regulatory Commission and the licence for inter-State trading is granted by the Central Electricity Regulatory Commission.

Central Electricity Regulatory Commission upto 31.07.2007 has granted 23 licenses for inter-State trading in electricity out of which 2 companies are public sector companies and 21 companies are private limited companies. The names of the public and private sector companies presently engaged in the trade of electricity is given in Statement (*See* below).

(c) and (d) A statement indicating the volume of electricity traded by the inter-State trading licensees and their weighted average sale price/KWh for the period from 2003-04 to 2006-07 is given as Statement-II.

***Statement-I***

*List of private sector companies who have been granted inter-State trading licence in electricity*

| SI. No. | Name of companies |
|---|---|
| 01. | Lanco Electric Utility Limited |
| 02. | Vinergy International Private Limited |
| 03. | Tata Power Trading Company Ltd. |
| 04. | PTC India Limited |
| 05. | DLF Power Limited |
| 06. | Adani Enterprises Limited |
| 07. | Reliance Energy Trading Limited |
| 08. | Chhattisgarh Electricity Company Limited |
| 09. | GMR Energy Limited (Since surrendered licence) |
| 10. | Jindal Steel & Power Limited |
| 11. | Karam Chand Thapar & Bros. (Coal Sales) Limited |
| 12. | Subhash Kabini Power Corporation Limited |
| 13. | Special Blasts Limited |
| 14. | Maheshwary Ispat Limited |
| 15. | Instinct advertisement & Marketing Limited |
| 16. | Essar Electric Power Development Corporation Limited |
| 17. | Suryachakra Power Corporation Limited |
| 18. | JSW Power Trading Company Limited |
| 19. | GEA Energy System (India) Limited |
| 20. | Malaxmi Energy Trading Private Limited |
| 21. | Visa Power Limited |

*List of public sector companies who have been granted inter-State trading licence in electricity*

| SI. No. | Name of the companies |
|---|---|
| 01. | NTPC Vidyut Vyapar Nigam Ltd. |
| 02. | MMTC Limited |

***Statement-II***

*Volume of electricity traded by the inter-State trading licensees and its sale price*

| Year | Volume of Electricity Traded (MUs) | Weighted Average Sale Price of Electricity/KWh | Growth in Volume of Electricity Traded (%) | Increase in Sale Price (%) |
|---|---|---|---|---|
| 2003-04 | 11028.96 | NA | - | - |
| 2004-05 | 11846.53 | 2.31 | 7.41% | - |
| 2005-06 | 14188.31 | 3.23 | 19.77% | 39.83% |
| 2006-07 | 15022.74 | 4.51 | 5.88% | 39.63% |

MUs - Million Units.

**CAG's report on APDRP**

†838. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

(a) whether Government's attention has been drawn to the audit report of CAG regarding Accelerated Power Development and Reforms Programme;

(b) if so, whether it is a fact that an annual target to reduce the loss of technical and commercial electricity under the above said programme was set during the past few years;

(c) if so, the details thereof; and

(d) the target achieved, so far, in this regard?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) to (d) Yes, Sir. Government had launched Accelerated Power Development and Reforms Programme (APDRP) in the year 2002-03 with the objective of encouraging reforms and of reduction in Aggregate Technical and Commercial (AT & C) losses, improving quality of supply of power and improving consumer satisfaction. The target was to reduce AT & C losses to 15% in five years to begin with in urban and high density consumption areas. As reported by Power Finance Corporation, the AT & C losses of the State Distribution Companies at national level were reduced to 34.54% for 2005-06. At town level, AT & C losses have been brought below 20 percent in 215

†Original notice of the question was received in Hindi